

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE

IN THE MATTER OF THE APPLICATION OF)
DELMARVA POWER & LIGHT COMPANY FOR)
APPROVAL OF MODIFICATIONS TO ITS GAS) PSC DOCKET NO. 15-1355
COST RATES (FILED AUGUST 27, 2015))

ORDER NO. 8785

AND NOW, this 22nd day of September, 2015, the Delaware Public Service Commission ("Commission") determines and orders the following:

WHEREAS, on August 27, 2015, Delmarva Power & Light Company ("Delmarva" or "the Company") filed with the Commission the above-captioned application (the "Application") seeking approval to change its Gas Cost Rates ("GCR") effective for usage on or after November 1, 2015, with proration, as follows: (1) revise the GCR demand and commodity charge applicable to Service Classifications MVG and LVG; (2) revise the volumetrically applied GCR factors applicable to the RG, GG, GL, and non-electing MVG Service Classifications; (3) approve the proposed balancing charge for the November 2015 - October 2016 GCR period; and (4) approve changes to the Company's tariff; and;

WHEREAS, the Commission has determined, pursuant to 26 *Del. C.* §§304 and 306, that the proposed GCR changes should be permitted to become effective for usage on and after November 1, 2015, subject to refund and pending the Commission's further review and final decision;

**NOW, THEREFORE, IT IS HEREBY ORDERED BY THE AFFIRMATIVE
VOTE OF NOT FEWER THAN THREE COMMISSIONERS:**

1. Pursuant to 26 *Del. C.* §§303(b), 304, and 306, the following proposed changes to the GCR rates and the accompanying proposed tariff revisions set forth in the Application, are permitted to become

effective for natural gas usage on or after November 1, 2015, subject to refund and pending the Commission's final decision:

Rate Schedules	Present		Proposed	
	GCR Demand Charge	GCR Commodity Charge	GCR Demand Charge	GCR Commodity Charge
RG, GG and GL	N/A	53.363¢/ccf	N/A	39.467¢/ccf
Non-electing MVG	\$9.8132/Mcf of Billing MDQ	\$3.5695/Mcf	\$1.7022/Mcf	\$2.2445/Mcf
Electing MVG and LVG	\$9.8132/Mcf of Billing MDQ	Varies	\$1.7022/Mcf	Varies
Standby Service	\$9.8132/Mcf of Standby MDQ	N/A	\$1.7022/Mcf	N/A

2. As outlined in the form of notice (attached as **Exhibit "A"**) interested persons are afforded the opportunity to file objections to the proposed changes to the GCR rates, firm balancing rates, and the accompanying proposed tariff revisions set forth in the Application. Such objections or written comments shall be filed **on or before Friday, October 30, 2015** using the DelaFile e-filing system, which can be accessed from the Commission's website at <http://depssc.delaware.gov>.

3. If the Commission does not receive any material objections or written comments raising significant issues, the Commission may, by later order, approve the proposed changes to the GCR rates, firm balancing rates, and the accompanying proposed tariff revisions set forth in the Application after a duly noticed evidentiary hearing at a regularly-scheduled Commission meeting. If material objections or written comments are filed, the Commission may, by later order, determine the course of any appropriate further proceedings, which may

include the appointment of a Hearing Examiner to conduct an evidentiary hearing or the requirement that the Company make a separate regulatory filing in a new docket to address the matter.

4. Delmarva shall give public notice of the filing of this Application, with the proposed rate changes and this action by the Commission, by publishing notice in the form attached as **Exhibit "A"** in two-column format, outlined in black, in the legal classified section of The News Journal newspaper on **Tuesday, October 6, 2015 and Tuesday, October 13, 2015**. Delmarva shall submit proof of such publications as soon as possible, but no later than the commencement of any evidentiary hearings concerning this matter.

5. Delmarva is hereby put on notice that it will be charged the costs incurred by the Commission staff and the Division of the Public Advocate in connection with this proceeding under the provisions of 26 Del. C. §114(b)(1).

6. The Commission reserves the jurisdiction and authority to enter such further Orders in this matter as may be deemed necessary or proper.

BY ORDER OF THE COMMISSION:

/s/ Dallas Winslow
Chair

/s/ Joann T. Conaway
Commissioner

/s/ Harold B. Gray
Commissioner

/s/ K. F. Drexler
Commissioner

/s/ Mike Karia
Commissioner

ATTEST:

/s/ Donna Nickerson
Secretary

E X H I B I T "A"

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P U B L I C N O T I C E

TO: ALL NATURAL GAS CUSTOMERS OF DELMARVA POWER & LIGHT COMPANY
AND OTHER INTERESTED PERSONS

Delmarva Power & Light's Gas Cost Rate Application

On August 27, 2015, Delmarva Power & Light Company ("Delmarva" or the "Company") filed with the Delaware Public Service Commission (the "Commission") an application pursuant to 26 Del. C. §§303(b), 304, and 306 seeking to change its Gas Cost Rates ("GCR") as follows:

Rate Schedules	Present		Proposed	
	GCR Demand Charge	GCR Commodity Charge	GCR Demand Charge	GCR Commodity Charge
RG, GG and GL	N/A	53.363¢/ccf	N/A	39.467¢/ccf
Non-electing MVG	\$9.8132/Mcf of Billing MDQ	\$3.5695/Mcf	\$1.7022/Mcf	\$2.2445/Mcf
Electing MVG and LVG	\$9.8132/Mcf of Billing MDQ	Varies	\$1.7022/Mcf	Varies
Standby Service	\$9.8132/Mcf of Standby MDQ	N/A	\$1.7022/Mcf	N/A

The effect on a residential space heating customer using 120 ccf in a winter month would be a decrease of \$16.92, or 12.9%, in the customer's total bill. Customers served on Service Classifications GG and MVG would experience decreases in their winter bills within the

ranges of 0.8% and 12.0%, depending on their load and usage characteristics.

The Commission has permitted the proposed GCR and other rates to become effective with usage on and after November 1, 2015, subject to refund and pending the Commission's final decision after evidentiary hearings and any other proceedings that may be necessary.

The Commission will conduct evidentiary hearings, to be scheduled at a later date, concerning this Application. The Commission's final decision will be based on the evidence presented at such hearings.

Interested persons are afforded the opportunity to file objections to the proposed changes to the GCR and the accompanying proposed tariff revisions set forth in the Application. Such objections or written comments shall be filed **on or before Friday, October 30, 2015** using the Commission's file management system, DelaFile (<http://delafile.delaware.gov>), and by searching for Docket No. 15-1355.

If the Commission does not receive any material objections or written comments raising significant issues, the Commission may, by later order, approve the proposed changes to the GCR rates and the accompanying proposed tariff revisions set forth in the Application after a duly noticed evidentiary hearing at a regularly-scheduled Commission meeting. If material objections or written comments are filed, the Commission may, by later order, determine the course of any appropriate further proceedings, which may include the appointment of

a Hearing Examiner to conduct an evidentiary hearing or the requirement that the Company make a separate regulatory filing in a new docket to address the matter.

You are invited to review Delmarva's application and supporting documents to determine how your interests may be affected by going to DelaFile (<http://delafile.delaware.gov>), the Commission's file management system, and by searching for Docket No. 15-1355.

If you would like to review documents at the Commission's offices, please contact Donna Nickerson at (302) 736-7500 or by sending an email addressed to donna.nickerson@state.de.us. You may also review copies of Delmarva's Application and supporting documents at the office of the Division of the Public Advocate located at either 820 North French Street, 4th Floor, Wilmington, Delaware 19801 or 29 South State Street, Dover, DE 19901. Please call either (302) 577-5077 (Wilmington) or (302) 241-2555 (Dover) to arrange for a time to review the documents at either of those locations.

If you wish to request copies of documents in this matter, please submit a Freedom of Information Act Request Form. The link to this form can be found on the Commission's website, <http://depsec.delaware.gov>, or by visiting this web address: <https://delafile.delaware.gov/Complaints/FOIA.aspx>. The Commission will respond to your request in accordance with the Delaware Freedom of Information Act, 29 Del. C. ch. 100.

If you have a disability and wish to participate or to review the materials in this matter, please contact the Commission to discuss any auxiliary aids or services you might need to help you. You may contact the Commission in person, by writing, by telephone (including text telephone), by Internet e-mail, or other means. If you have questions about this matter, you may call the Commission at 1-800-282-8574 (toll-free in Delaware) or (302) 736-7500 (voice and text telephone). You may also send questions regarding this matter by Internet e-mail addressed to psc@state.de.us; include "PSC Docket No. 15-1355" as the subject.